

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 1223

Introduced by Thompson, 14

Read first time January 21, 2004

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to state contracts for services; to amend
2 section 73-506, Reissue Revised Statutes of Nebraska; to
3 provide restrictions on the terms and conditions of such
4 contracts; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 73-506, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 73-506. (1) State agency contracts for services shall be
4 subject to the following requirements:

5 ~~(1)~~ (a) Payments shall be made when contractual
6 deliverables are received or in accordance with specific
7 contractual terms and conditions;

8 ~~(2)~~ (b) State agencies may not enter into contracts for
9 services with an unspecified or unlimited duration; ~~and~~

10 ~~(3)~~ (c) State agencies may not structure contracts for
11 services to avoid any of the requirements of sections 73-501 to
12 73-509; and

13 (d) State agencies may not award a contract to a
14 contractor or subcontractor who performs the work at a site outside
15 of the United States unless refusing to award a particular contract
16 would violate the specific terms to which the State of Nebraska
17 consented under the Agreement on Government Procurement of the
18 World Trade Organization.

19 (2) Subject to subdivision (1)(d) of this section, a
20 contractor or subcontractor submitting a bid for a contract for
21 services to a state agency shall certify that the services covered
22 by the contract will be performed in the United States. If such
23 contractor or subcontractor shifts the services covered by the
24 contract to a site outside of the United States during the term of
25 the contract, the state agency shall require the contractor or
26 subcontractor to pay damages equal to the amount paid by the state
27 agency to the contractor or subcontractor for the percentage of
28 services covered by the contract performed outside of the United

1 States. The state agency shall also terminate such contract for
2 noncompliance with the terms of the contract.

3 Sec. 2. Original section 73-506, Reissue Revised
4 Statutes of Nebraska, is repealed.